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State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

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Governor

GARY R. HERBERT
Lieutenant Governor

July 14, 2005

CERTIFIED RETURN RECEIPT
7002 0510 0003 8603 4377

Mert Hamilton
Rocanville Corporation
P.O. Box 35
Delta, Utah 84624

Subject: Second Review of Notice of Intention to Commence Large Mining Operations,
Rocanville Corporation, Black Rock Mine, M/027/088,
Millard County, Utah

Dear Mr. Hamilton:

The Division has completed a review of your draft response to the Division's initial technical review sent to you on March 15, 2005 for the Black Rock Mine, located in Millard County, Utah. Your response was received May 16, 2005. After reviewing the latest information, the Division has the following comments which still need to be addressed before tentative approval may be granted.

The comments are listed below under the applicable Minerals Rule heading. Please format your response in a similar fashion. **Address only those items requested in the attached technical review by sending replacement pages of the original notice using redline and strikeout text.** Please provide a response to this review by August 15 2005.

The Division will suspend further review of the Black Rock Mine until your response to this letter is received. If you have any questions in this regard please contact me or Tom Munson of the Minerals Staff. If you wish to arrange a meeting and discuss this review, please contact us at your earliest convenience. Thank you for your cooperation in completing this permitting action.

Sincerely,

Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:tm:jb

Attachment: Review

cc: Jerry Mansfield, BLM, Filmore FO (UTU-78286) w/attach
Dave Ryzak, Consultant

SECOND REVIEW OF NOTICE OF INTENTION TO COMMENCE LARGE MINING OPERATIONS

Rocanville Corporation
Black Rock Mine

M/027/088
July 12, 2005

R647-4-106 - Operation Plan

106.4 Nature of materials mined, waste and estimated tonnages

The estimate of 8.9 to 11 cubic yards was made because the application stated the totals in yards not cubic yards. We are unable to tell what you "meant" only what is written in the plan. For permit applications purposes, yardage calculated in cubic yards should be stated in cubic yards. (DJ)

It is understood that the entire area to be mined is not covered with a 5' cover of soil. An estimation utilizing the percentages stated in the review reply can justify a lower estimate of soil harvest.

The review reply states that part of lower soil harvest estimate is due to the fact that "the writer is not assuming in his calculation that the entire area will be developed by the end of this NOI."

The Division reviews an application assuming that the permit outline is the maximum limit of disturbance for the term of the NOI. Therefore all activities within a permitted area have to be assumed to be disturbed and therefore reclaimed at the end of the NOI. Please highlight areas that will not be disturbed by the end of the NOI so they can be removed from the surety calculations and approved mining area. (DJ)

106.6 Plan for protecting & redepositing soils

As the Division understands the plan, the following soils will be salvaged:

1. About 3200 cubic yards from areas to be mined in the future. This is based on an estimate of one foot of soil being available from 2.0 acres of the 8.5 acres to be mined.
2. About 100 cubic yards of soil has been windrowed in previous operations, and this will be consolidated into a stockpile.
3. (Section 107.5) Deep alluvial soils will be excavated from the gently sloped area along the primary drainage if they are available. The plan does not give an estimate of how much soil might be available in this area.

Please estimate how much soil might be salvaged from the area along the primary drainage. (PBB)

Not counting the soils from near the drainage, the estimated soil reserves would cover the entire site 1.6 inches deep. Even if this amount was doubled by soils from the drainage, it would probably not be possible or desirable to spread this much soil evenly over the entire site. (PBB)

The Division recognizes (and does not disagree with) the operator's position that there is very limited soil in some areas, but the plan needs to show how this soil will be used in combination with overburden and waste material during reclamation. (PBB)

The simplest way to do this may be to modify Map E, the Reclamation Treatments map, to show more detail of what soils or substitute soils would be used in which areas.

Alternatively, the text might contain a table keyed to this map. For example, the map indicates plant growth material will be placed on area 1. What plant growth material will be used? How much is available? Will any additional treatments be used to improve this growth material? (PBB)

If there are areas where fines will be used as substitute soil, are there treatments that would increase the likelihood of revegetation success? As discussed in the previous review, fines by themselves may not be successful, but it may be possible to increase revegetation success by placing rocks on the surface or by mixing soil with fines (see below). (PBB)

In the previous review, the Division made some comments about revegetation at the Cricket Mountain Mine, and the operator included some questions about what treatments were being used. The most successful treatments were where topsoil was applied to the surface, but it is not known how much topsoil was used. This soil is very rocky and was probably salvaged from the slopes. In some areas, the operator mixed soil with fines and applied this at a thickness of 6-12 inches, and this has been successful. Fines treated with manure, straw and/or fertilizer tended to have little vegetation. (PBB)

One aspect of the successful test plots at the Cricket Mountain Mine is that they were all uneven and rocky. Statewide, the Division has found the most successful sites to be those that are left very rough and with a lot of rock on the surface. (PBB)

R647-4-107 - Operation Practices

107.1 Public safety & welfare

The review reply states in this area "It is not likely that quarrying will come to full completion as shown on map C and map D."

Please show that limits of the area that will be affected by mining in the next five years that can be used for bonding purposes. The bond has to be calculated on the area permitted to be disturbed. (DJ)

The reply states "Recoverable plant growth material, primarily subsoil with rock, from the overburden will be stockpiled at places shown on Map C".

Map C indicates that there are proposed soil storage areas, crushed ore/waste piles and proposed crushed ore/waste areas.

All three of these areas are shown with a green highlight. Please indicate which pile is which on map C. (DJ)

Second Review

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M/027/088

July 14, 2005

R647-4-110 - Reclamation Plan

110.5 Revegetation planting program

Please provide a commitment to apply seed as soon as possible after surface preparation.
(PBB)

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